

PERSONAL TIME-MONEY INDICATORS

Simple Income Passivity Rating (SIPR)--The SIPR is one of the 3 key Personal Time-Money Indicators That You Must Watch. Starting Right Now, and at least every year, you need to become fully aware of these numbers. They are essential to your business growth. This Part 4 of your Personal Assessment is the first of these three indicators, which is the Simple Income Passivity Rating.

The **SIPR** is better than most all other indicators in helping you know how well you're doing in your business. This number is calculated by using a "simple" formula for calculating your Income Passivity. This formula is: $SIPR = \frac{\text{Total Annual Income}}{\text{Total Hours Worked}}$. It is very true, that being paid hourly is not the best way to actually get paid, however, knowing how much money that you make for every hour you work, is extremely important, and is the basis for all successful passive income. Since it's virtually impossible to spend "no-time" on a project or an enterprise, and you're always spending some time on it, this number will help you know how well you're doing. You can calculate this for each income stream you have, which will help you to effectively evaluate how you spend your time. Therefore, reviewing this number every year is essential in order to evaluate your growth, and for making decisions about moving forward.

(HINT: if you haven't kept good records for your time, or even money, then just do a best estimate for now, and in the future, be sure to put something in place to keep track of those two numbers.)

Action Thoughts

Actual SIPR (from previous year)

$$\frac{\text{Total Income}}{\text{Total Hours Spent Working}} = \$ \frac{\text{Simple Income Passivity Rating (Actual Income Per Hour)}}{\text{Simple Income Passivity Rating (Actual Income Per Hour)}}$$

Estimate SIPR (for next year) - See Worksheets Parts 2 & 3 to complete numbers below.

$$\frac{\text{Financial Income Goal}}{\text{Planned Working Hours}} = \$ \frac{\text{Simple Income Passivity Rating (Estimate Income Per Hour)}}{\text{Simple Income Passivity Rating (Estimate Income Per Hour)}}$$